

REMARKS

Claims 1-74 stand rejected. Claims 31, 34 and 62 have been amended. The Applicants respectfully request reconsideration. No new matter has been added.

Specification

The Office Action objected to the Abstract for the inclusion of the legal term "said." Appropriate correction has been made.

Claim Rejections - 35 U.S.C. §112

The Office Action rejected claim 62 under 35 U.S.C. §112, second paragraph as being unclear. The Applicants thank the Examiner for bringing our attention to the typographical error in claim 62. Appropriate correction has been made.

Claim 31 has also been amended to correct a typographical error. No new matter is introduced.

Claim Rejections - 35 U.S.C. §§ 102 and 103

The Office Action rejected claims 1, 4, 11, 14-17, 45, 48, 55, 58-61 under 35 U.S.C. §102(e) as being anticipated by U.S. Patent Application Publication No. 2002/0023053 ("Szoc").

The Office Action rejected claims 26 and 70 under 35 U.S.C. §103(a) as being unpatentable over Szoc.

The Office Action also rejected claims 8, 18, 22-25, 34, 37, 40, 41, 52, 62, 66-69 under 35 U.S.C. §103(a) as being unpatentable over Szoc in view of U.S. Patent Application Publication No. 2002/0082967 ("Kaminsky et al").

The Office Action also rejected claims 9, 10, 12, 13, 19, 20, 21, 27, 42-44, 53, 54, 56, 57, 63-65 and 71 under 35 U.S.C. §103(a) as being unpatentable over Szoc in view of U.S. Patent 5,787,402 ("Potter").

The Office Action also rejected claims 35, 36, 38, and 39 under 35 U.S.C. §103(a) as being unpatentable over Szoc in view of Kaminsky et al in further view of Potter.

The Office Action also rejected claims 2, 3, 5-7, 28-33, 46, 47, 49-51 and 72-74 under 35 U.S.C. §103(a) as being unpatentable over Szoc in view of Kaminsky et al in further view of Potter.

Claims 1-25 and 45-69

Claims 1 and 45 as originally filed recite a method and system, respectively, for managing risk associated with providing real-time trading services. Specifically, claims 1 and 45 recite steps of and structure for, respectively, providing a plurality of dealing quotes, each of the dealing quotes having a duration; calculating an exposure associated with each of the dealing quotes during the respective durations; calculating a total exposure based on the exposures for all of the dealing quotes that have not expired; and adjusting future dealing quotes based on the total exposure. Szoc, Kaminsky et al, and Potter, neither alone nor in combination, teach or suggest at least the features of calculating a total exposure based on the exposures for all of the dealing quotes that have not expired and adjusting future dealing quotes based on the total exposure.

Szoc suggests modifying a real-time quote according to market conditions, payment patterns on the part of the client and other factors in order to manage risk and/or enhance profitability.” (see Szoc, ¶¶[0075] through [0081]) However, Szoc does not attempt to address the problem that at any given time, numerous dealing quotes provided by the system may be outstanding and thus, if accepted, will affect the risk position of the financial institution that is acting as a counterparty to the transactions. For at least this reason, Szoc does not teach or suggest calculating a total exposure based on the exposures for all of the dealing quotes that have not expired and adjusting future dealing quotes based on the total exposure as recited in claims 1 and 45.

In Kaminsky et al, existing quotes are modified in response to the aggregate risk of a market-maker's recent trades exceeding a predetermined risk threshold. (see Kaminsky et al, page 6, ¶¶ [0082] through [0117]). In contrast, the present invention as recited in claims 1 and 45 adjusts future dealing quotes based on a total exposure that is calculated based on the exposures for all of the dealing quotes that have not expired. Kaminsky et al do not teach or suggest such features. In other words, Kaminsky et al do not teach or suggest modifying its quotes in response to the aggregate risk of a market-maker's outstanding quotes exceeding a

predetermined risk threshold. Rather, Kaminsky et al discuss a reactive mechanism for managing risk after a trade occurs and the risk threshold is exceeded, whereas the present invention as recited in claims 1 and 45 features a proactive mechanism for managing risk.

Potter et al do not teach or suggest any means for managing risk associated with providing real time trade at all. (see discussion of Potter et al in the Background section of the subject specification as originally filed).

For at least these reasons, it is believed claims 1 and 45 are not taught or suggested in view of the cited art of record.

Furthermore, by virtue of at least their dependency to claims 1 and 45 respectively and the additional features recited therein, it is believed that claims 2-25 and 46-69 are also patentable.

Claims 26 and 70

The Office Action rejected claims 26 and 70 under 35 U.S.C. §103(a) as being unpatentable over Szoc.

With respect to claim 26 and similarly claim 70, the Office Action acknowledges that Szoc fails to explicitly disclose a method of managing risk associated with a plurality of price requests, the method comprising the steps of: aggregating the plurality of price requests into a block trade price request and providing a single dealing price quote for the block trade price request. However, the Office Action rejects claims 26 and 70 by taking official notice that at the time of the invention it was well known to “aggregate groups.” Specifically, the Office Action takes official notice that “business frequently aggregate customer profiles, orders etc. for comparison and ease of processing (e.g. purchases for a given price range, sales season).” Applicants believe that such official notice does not serve as a sufficient basis for rejecting claims 26 and 70.

Even if it was well known for businesses to aggregate customer/financial data in such a way to achieve organizational efficiencies, such data aggregation is not the same as aggregating a plurality of price requests into a block trade price request and providing a single dealing price quote for the block trade price request as recited in claims 26 and 70. For example, aggregating price requests into a block trade price request can enable a large client to obtain a single price

applied over a number of smaller individual transactions. (see subject Specification as originally filed, on page 20, lines 4-14)

For at least these reasons, it is believed that claims 26 and 70 are neither taught nor suggested in view of the cited art of record, and thus are patentable.

Claims 27 and 71

The Office Action rejected claims 27 and 71 under 35 U.S.C. §103(a) as being unpatentable over Szoc in view of Potter.

With respect to claim 27 and similarly claim 71, the Office Action acknowledges that Szoc fails to explicitly disclose a method of managing risk associated with a plurality of price requests, wherein some of the plurality of price requests have different currency pairs and some of the plurality of price requests have different tenors, the method comprising the steps of: aggregating the plurality of price requests according to the different currency pairs into currency pair groups; aggregating the plurality of price requests according to the tenors into tenor groups; and providing a single dealing price quote for each of the currency pair groups and tenor groups.

However, the Office Action asserts that Potter teaches these features. Applicants respectfully disagree. The passages and figures cited in the Office Action merely refer to steps taken by an individual customer to executing trades within the system. Potter does not teach or suggest at least the step of aggregating price requests at all.

For at least these reasons, it is believed that claims 27 and 71 are neither taught nor suggested in view of the cited art of record, and thus are patentable.

Claims 28-29 and 72-73

The Office Action also rejected claims 28-29 and 72-73 under 35 U.S.C. §103(a) as being unpatentable over Szoc in view of Kaminsky et al in further view of Potter.

With respect to claim 28 and similarly claim 72, the Office Action acknowledges that Szoc, Potter and Kaminsky, alone or in combination, fail to teach or suggest aggregating a plurality of price requests into a block trade price request and providing a single dealing price quote for the block trade price request based on a spot price.

However, the Office Action rejects claims 28 and 72 by taking official notice that at the time of the invention it was well known to “aggregate groups.” Specifically, the Office Action

takes official notice that “business frequently aggregate customer profiles, orders etc. for comparison and ease of processing (e.g. purchases for a given price range, sales season).” Applicants believe that such official notice does not serve as a sufficient basis for rejecting claims 28 and 72.

Even if it was well known for businesses to aggregate customer/financial data in such a way to achieve organizational efficiencies, such data aggregation is not the same as aggregating a plurality of price requests into a block trade price request and providing a single dealing price quote for the block trade price request based on a spot price as recited in claims 28 and 72. For example, as discussed in the subject application, aggregating price requests into a block trade price request can enable a large client to obtain a single price applied over a number of smaller individual transactions. (see subject Specification as originally filed, on page 20, lines 4-14)

For at least this reason, it is believed that claims 28 and 72 are neither taught nor suggested in view of the cited art of record, and thus are patentable.

Furthermore, by virtue of at least their dependency to claims 28 and 72 respectively and the additional features recited therein, it is believed that claims 29 and 73 are also patentable.

Claims 30 and 74

The Office Action also rejected claims 30 and 74 under 35 U.S.C. §103(a) as being unpatentable over Szoc in view of Kaminsky et al in further view of Potter.

With respect to claim 30 and similarly claim 74, the Office Action acknowledges that Szoc, Kaminsky et al and Potter, alone or in combination, fail to explicitly disclose providing a single dealing price quote for a block trade price request, executing a block trade based on the block trade request, and booking the block trade into a risk management system. However, the Office Action rejects claims 30 and 74 by taking official notice that at the time of the invention it was well known to “aggregate groups.” Specifically, the Office Action takes official notice that “business frequently aggregate customer profiles, orders etc. for comparison and ease of processing (e.g. purchases for a given price range, sales season).” Applicants believe that such official notice does not serve as a sufficient basis for rejecting claims 30 and 74.

Even if it was well known for businesses to aggregate customer/financial data in such a way to achieve organizational efficiencies, such data aggregation is not the same as providing a single dealing price quote for a block trade price request based on a spot price, executing a block

trade based on the block trade request, and booking the block trade into a risk management system as recited in claims 30 and 74. For example, as discussed in the subject application, aggregating price requests into a block trade price request can enable a large client to obtain a single price applied over a number of smaller individual transactions. (see subject Specification as originally filed, on page 20, lines 4-14)

For at least these reasons, it is believed that claims 30 and 74 are neither taught nor suggested in view of the cited art of record, and thus are patentable.

Claims 31-33

The Office Action also rejected claims 31-33 under 35 U.S.C. §103(a) as being unpatentable over Szoc in view of Kaminsky et al in further view of Potter.

With respect to claim 31, the Office Action acknowledges that neither Szoc nor Kaminsky et al teach or suggest evaluating the credit of a client; providing at least one of the plurality of dealing quotes to the client if the credit is acceptable; and reserving a portion of the client's credit for the duration of the at least one of the plurality of dealing quotes. However, the Office Action rejects claim 31 asserting that Potter discloses these features. Applicants respectfully disagree.

The passages and figures cited in the Office Action merely suggest that a client's credit is checked after the system provides the rate quote and the client accepts the trade. In contrast, the present invention as recited in claim 31 evaluates the credit of a client, provides at least one of the dealing quotes to the client if the credit is acceptable; and reserves a portion of said client's credit for the duration of the quote. Support for claim 31 can be found at least in FIGS. 3, 5 and in the subject specification as originally filed on page 14, line 14 through page 15, line 13.

For at least this reason, it is believed that claim 31 is neither taught nor suggested in view of the cited art of record, and thus are patentable.

Furthermore, by virtue of at least their dependency to claim 31 respectively and the additional features recited therein, it is believed that claims 32-33 are also patentable.

Claim 34-41

The Office Action rejected claim 34-41 under 35 U.S.C. §103(a) as being unpatentable over Szoc in view of Kaminsky et al and, for certain claims, in further view of Potter.

Claim 34 as now amended recites "a method for managing risk associated with providing real-time trading services, comprising the steps of: providing a plurality of dealing quotes . . . ; and manually modifying said at least one of said plurality of dealing quotes before said at least one of said plurality of dealing quotes is provided to said client."

In contrast, Szoc merely mentions that quote information may be forwarded to staff members of the system, who then provide the quote information to clients. Szoc does not teach or suggest any mechanism for manually modifying a dealing quote before it is provided to a client. (see Szoc, ¶[0082])

Kaminsky et al also do not teach or suggest . . . Rather, in Kaminsky et al, "the quotes are modified by the exchange system in an automatic manner that does not require further input from the market-maker in the form of quote cancellation requests and submission of new quotes by the market-maker or his computer. In this way, the exchange system performs quote modification immediately and without the transmission delays inherent in communication systems and without delays associated with processing queued cancellation requests received from a remote location." (see Kaminsky et al, ¶¶[0117] through [0121])

Potter et al do not teach or suggest any means for managing risk associated with providing real time trade at all. (see discussion of Potter et al in the Background section of the subject specification as originally filed).

For at least these reasons, it is believed that claim 34 is neither taught nor suggested in view of the cited art of record, and thus are patentable.

Furthermore, by virtue of at least their dependency to claim 34 and the additional features recited therein, it is believed that claims 35-41 are also patentable.

Claims 42-44

The Office Action rejected claims 42-44 under 35 U.S.C. §103(a) as being unpatentable over Szoc in view of Potter.

The Office Action acknowledges that Szoc fails to teach or suggest a method comprising the steps of aggregating all of the at least one trade and booking all of the at least one trade when a threshold is reached. However, the Office Action asserts that Potter discloses these features. The Applicants respectfully disagree.

Potter discloses that once the client has requested a trade by choosing the "Trade" button, the system immediately performs the necessary tasks to effect the trade. (see Potter, col. 8, lines 6-67) In contrast, the present invention as recited in claim 42 aggregates trades until a threshold is reached and then books the aggregated trades. The threshold can be an aggregated notional amount as recited in claim 43 or a time limit as recited in claim 44. Support for claims 42-44 can be found at least in the subject specification on page 17, line 17 to page 18, line 21.

For at least this reason, it is believed that claim 42 is neither taught nor suggested in view of the cited art of record, and thus is patentable.

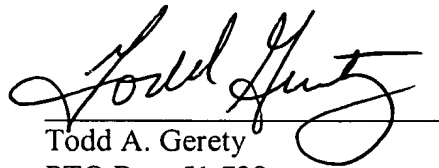
Furthermore, by virtue of at least their dependency to claim 42 respectively and the additional features recited therein, it is believed that claims 43 and 44 are also patentable.

CONCLUSION

In view of the above amendments and remarks, it is believed that claims 1-74 are in condition for allowance, and it is respectfully requested that the application be passed to issue. If the Examiner feels that a telephone conference would expedite prosecution of this case, the Examiner is invited to call the undersigned.

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